

AS

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 95-1126-C - ORDER NO. 96-46 ✓  
JANUARY 16, 1996

IN RE: Application of American Telesource Inter- ) ORDER  
national, Inc. for a Certificate of Public ) APPROVING  
Convenience and Necessity to Provide ) CERTIFICATE  
Intrastate Resold Telecommunications Service )  
within the State of South Carolina. )

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of American Telesource International, Inc. ("ATI" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of intrastate interexchange telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1994) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed ATI to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of ATI's Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. ATI complied with this instruction and provided the Commission with proof of publication

of the Notice of Filing.

A hearing was commenced on January 3, 1996, at 10:30 a.m., in the Commission's Hearing Room. The Honorable Rudolph Mitchell, Chairman, presided. ATI was not represented by counsel. Catherine D. Taylor, Staff Counsel, represented the Commission Staff.

Everett Waller, Senior Vice President of Sales and Operations of ATI, appeared and offered testimony in support of ATI's Application. The record reveals that ATI is a Texas corporation which is registered to do business in South Carolina as a foreign corporation. According to Mr. Waller, ATI proposes to offer long distance services using resold transmission services of carriers certificated to carry traffic in South Carolina. Mr. Waller explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a reseller. He further explained the Company's services, operations and marketing procedures.

Mr. Waller also offered that ATI possesses the technical, financial and managerial abilities to provide its services in South Carolina. Mr. Waller testified that the company would make certain changes to its proposed tariff to comply with Commission guidelines and prior Orders.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. ATI is incorporated under the laws of the State of Texas and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. ATI operates as a non-facilities based reseller of interexchange services and wishes to provide its services in South Carolina.

3. ATI has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to ATI to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for ATI for its resale services which includes only maximum rate levels for each tariff charge. For intrastate interLATA "0+" collect and calling card calls, ATI may not impose a fixed operator service charge more than the intrastate charges then currently approved for AT&T Communications, and for the usage portion of the call, ATI may not charge more than the intrastate rates charged by AT&T

Communications at the time such call is completed. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order no. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. ATI shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. ATI shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1994).

4. ATI shall file its revised maximum tariff and an accompanying price list within thirty (30) days of the date of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and

Regulations.

5. ATI is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. ATI should be allowed to incorporate in its tariff a surcharge for operator-assisted and calling card calls not to exceed \$1.00 for calls originated at hotels and motels and at customer-owned pay telephones only if the property owners have not added a surcharge already. That is, the Company may not impose an additional surcharge to calls originating at hotels and motels and customer-owned pay telephones if such a surcharge has already been imposed by the property owners. If such a charge is applied, however, it should be paid in its entirety to the customer by the Company. Further, if the surcharge is applied, the user should be notified of the imposition of the surcharge. This notification should be included in the information pieces, such as tent cards or pay telephone stickers, identifying the Company as the operator service provider for pay telephones and guest phones.

7. ATI is required to provide "tent" cards to hotels and motels for placement next to guest telephones and stickers to customer-owned pay telephones identifying it as the provider of operator service for intrastate interLATA distance calls. ATI is required to brand all call identifying itself as the carrier for the motel or hotel. The information pieces shall be consistent with the format approved by the Commission in Order No. 93-811,

issued in Docket No. 92-557-C.

8. For the provision of operator services, ATI shall comply with the Operator Service Provider Guidelines approved in Order No. 93-534, issued in Docket No. 93-026-C.

9. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

10. ATI shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If ATI changes underlying carriers, it shall notify the Commission in writing.

11. With regard to the origination and termination of toll calls within the same LATA, ATI shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

12. ATI shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

13. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

DOCKET NO. 95-1126-C - ORDER NO. 96-46  
JANUARY 16, 1996  
ATTACHMENT A

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ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S

COMPANY NAME

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FEI NO.

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ADDRESS

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CITY, STATE, ZIP CODE

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PHONE NUMBER

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- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12  
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- \* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION  
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,  
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR  
ENDING \_\_\_\_\_.
- \* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION  
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE  
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS  
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT  
(SEE #3 ABOVE).

SIGNATURE

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NAME (PLEASE TYPE OF PRINT)

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TITLE

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